

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 20, 1995

SUBJECT: **HB 1132 - SB 1501**

This bill, if enacted, will require any employer who offers health insurance to an employee who is a TennCare enrollee, and such employee refuses the insurance, to notify TennCare of such refusal. The insurance offered must not deny the enrollee or enrollee's dependents coverage based on pre-existing conditions.

The fiscal impact from enactment of this bill is estimated to be a reduction in expenditures to the TennCare Program of \$1,337 per person for each person removed from the program who should not be covered (\$456.45 state, \$880.55 federal). The amount of savings to the TennCare Program would depend upon the number of occurrences reported but is estimated to exceed \$100,000.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.


James A. Davenport, Executive Director